

AMENDED IN SENATE APRIL 10, 2012

AMENDED IN SENATE MARCH 26, 2012

SENATE BILL

No. 1196

Introduced by Senator Hernandez
(Coauthor: Senator Gaines)

February 22, 2012

An act to add Section 1367.50 to the Health and Safety Code, and to add Section 10117.52 to the Insurance Code, relating to health care coverage.

LEGISLATIVE COUNSEL'S DIGEST

SB 1196, as amended, Hernandez. Claims data disclosure.

Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensing and regulation of health care service plans by the Department of Managed Health Care and makes a willful violation of the act a crime. Existing law provides for the regulation of health insurers by the Insurance Commissioner. Except as specified, existing law prohibits a provider of health care, a health care service plan, or contractor from disclosing medical information regarding a patient of the provider of health care or an enrollee or subscriber of a health care service plan without first obtaining an authorization.

Existing law, the federal Patient Protection and Affordable Care Act (PPACA), requires the Secretary of Health and Human Services to make available to qualified entities, as defined, specified claims data relating to Medicare in order to evaluate the performance of providers and suppliers.

This bill would provide that no contract ~~or health insurance policy~~ *in existence or* issued, amended, or renewed on or after January 1, 2013, between a health care service plan *or a health insurer* and a provider,

as specified, shall prohibit, condition, or in any way restrict the disclosure of claims data, related to health care services ~~or coverage~~ provided to specified individuals, to a qualified entity, as defined.

Because a willful violation of the act by a health care service plan would constitute a crime, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.

State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 1367.50 is added to the Health and Safety
2 Code, to read:

3 1367.50. Notwithstanding Section 56.10 of the Civil Code, no
4 contract *in existence or* issued, amended, or renewed on or after
5 January 1, 2013, between a health care service plan and a provider,
6 including a provider of supplies, shall prohibit, condition, or in
7 any way restrict the disclosure of claims data related to health care
8 services provided to an enrollee or subscriber of the health care
9 service plan or beneficiaries of any self-funded health coverage
10 arrangement administered by the health care service plan, to a
11 qualified entity, as defined in Section 1395kk of Title 42 of the
12 United States Code.

13 SEC. 2. Section 10117.52 is added to the Insurance Code, to
14 read:

15 10117.52. Notwithstanding any other provision of law, no
16 health insurance ~~policy~~ *contract in existence or* issued, amended,
17 or renewed on or after January 1, 2013, between a health insurer
18 and a provider, including a provider of supplies, shall prohibit,
19 condition, or in any way restrict the disclosure of claims data
20 related to ~~coverage~~ *health care services* provided to insureds or
21 beneficiaries of any self-insured health coverage arrangement
22 administered by ~~a carrier~~ *the insurer*, to a qualified entity, as
23 defined in Section 1395kk of Title 42 of the United States Code.

1 SEC. 3. No reimbursement is required by this act pursuant to
2 Section 6 of Article XIII B of the California Constitution because
3 the only costs that may be incurred by a local agency or school
4 district will be incurred because this act creates a new crime or
5 infraction, eliminates a crime or infraction, or changes the penalty
6 for a crime or infraction, within the meaning of Section 17556 of
7 the Government Code, or changes the definition of a crime within
8 the meaning of Section 6 of Article XIII B of the California
9 Constitution.

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